

by the study for which we voted \$500,000 last year. For that reason, I shall vote to sustain the veto.

I might add that the President himself is not one who would be naturally unsympathetic to the hopes and aspirations of Government employees, inasmuch as he has been one for the entire useful years of his life. Therefore, his very strong message, I think, must be considered as being an authoritative, objective analysis of the situation.

But what disturbs me more than anything else, Mr. President, is the relationship of this raise to other matters. I believe that the big issue before the country today is the economic competition in which we are engaged, not only with the Communist countries, but now even with the free world; countries we have helped to put on their feet, countries to whose welfare we have generously contributed by our own efforts. Many of these countries have become more aggressive and efficient in international trade than they have ever been in their history. So our competitive position in the world today is a very, very serious matter, indeed. This question came up this morning in the hearings of the Jackson subcommittee, when Governor Rockefeller was testifying, and he spoke of the seriousness of the economic war. One of the aspects of that war is the question of wages and pay. The fact is that in recent years the custom of wage increases in this country every time a contract expires, or every 2 or 3 years, has had the result of raising our wage costs above the rise in productivity. This has increased our competitive disadvantage as a producer both at home and abroad. There are thousands—hundreds of thousands—of workers in the State of Connecticut whose jobs are at stake in this world struggle, in this great competition.

Mr. President, if we continue to yield to the demand for increased wage costs without compensating increases in productivity, I feel we shall continue to increase the disadvantage which we are already beginning to feel, quite seriously, in our country. This is the big issue of the day.

Because I think it is inappropriate for the Government itself to set a bad example in the matter, and inasmuch as no overwhelming case has been made of the necessity for an across-the-board wage increase. I think it is appropriate that the Government refrain from setting an example by increasing wages throughout the entire employment structure of the U.S. Government.

I say, I speak these words with a heavy heart. I have many friends—old friends—in the organizations affected in the Government service by the bill. I know there are all going to be grievously disappointed in my vote. I regret it. I could not in good faith, feeling as I do having studied the issue as carefully as I have in the last few weeks, do other than to vote to sustain the veto of the President.

I yield back my remaining time.

Mr. CAPEHART. Mr. President, will the Senator yield me 2 minutes?

Mr. JOHNSON of Texas. I yield 2 minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 2 minutes.

Mr. CAPEHART. Mr. President, I am a little confused. The President of the United States in his message said that he would be willing, possibly, to sign a pay bill providing 4 percent increase. The ranking minority member of the Committee on Appropriations a minute ago said that if the bill failed he would introduce a bill to increase the pay rates some 6 percent.

I think everyone who has talked about sustaining the veto, including the President himself, is willing to provide 4 or 5 or 6 percent increase. That confuses me.

If there should be some increase, as all these gentlemen seem to think, including the President, I am not wise enough to know whether it should be 7½ percent, 5 percent, or 6 percent.

I shall vote to override the veto of the President, because I think these employees deserve an increase in wages.

Furthermore, those who know better than I, including the President of the United States, the ranking member of the Committee on Appropriations and the ranking member of the Civil Service and Post Office Committee the able Senator from Kansas, have stated their positions. The able Senator from Kansas said that he offered an amendment in committee to provide a 6-percent pay increase.

Under those circumstances I shall vote to override the veto of the President.

Mr. BUSH. Mr. President, how much time remains for both sides?

The PRESIDING OFFICER. The proponents have 108 minutes and the opponents have 74 minutes.

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum, and I ask that the time be charged equally to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that further proceedings under the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR CALL OF CALENDAR TOMORROW

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that tomorrow, at the conclusion of routine morning business, there be a call of the calendar for consideration of measures to which there is no objection, beginning with Calendar No. 1817.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

LEGISLATIVE PROGRAM

Mr. JOHNSON of Texas. Mr. President, I give notice to Senators that we should like to consider Calendar No. 1824, S. 2195, to authorize the Secretary

of the Interior to construct, operate, and maintain the western division of the Dalles Federal reclamation project, Oregon, and for other purposes, and shall make a motion for its consideration, if at all possible, before the recess.

Mr. DIRKSEN. Mr. President, I yield 1 minute to the distinguished Senator from Connecticut [Mr. BUSH].

CAPTIVE NATIONS WEEK

Mr. BUSH. Mr. President, since the Congress will be in recess during the observance of Captive Nations Week, starting July 18, 1960, I should like to associate myself at this time with the text of the Captive Nations Week resolution as passed in the 1st session of the 86th Congress.

Judging by the violent reaction from the Kremlin to the passing of the resolution last year, it must have struck at the heart of the Communist monolith. The resolution rightfully points out the evil nature of Communist imperialism and decries its policy of enslavement and its denial of basic human rights.

While valid aspirations for independence are being satisfied in the free world, the tenacious stranglehold by communism of captive nations continues unbroken. In most of the world, the strong tide of nationalism since the end of World War II has resulted in the attainment of independence by hundreds of millions of people, largely through peaceful means. Within the last 2 weeks alone, we have seen several new nations emerge on the African continent, and many more will undoubtedly attain independence in the next decade. Within the Communist bloc however, any attempt on the part of the people to attain freedom would be crushed ruthlessly as it was in Hungary.

Despite the relentless implementation of Communist policies of imperialism and enslavement, the people behind the Iron Curtain have never given up hope for their eventual release from Communist tyranny. By observing Captive Nations Week, we shall once again dramatize to the world our dedication to the principles embodied in our own Declaration of Independence, thereby associating ourselves with, and encouraging, those who steadfastly aspire to freedom and independence.

ADJUSTING THE RATES OF BASIC COMPENSATION OF CERTAIN OFFICERS AND EMPLOYEES OF THE FEDERAL GOVERNMENT

The Senate resumed the reconsideration of the bill (H.R. 9883) to adjust the rates of basic compensation of certain officers and employees of the Federal Government, and for other purposes.

The PRESIDING OFFICER. The question is, Shall the bill pass, the objections of the President of the United States to the contrary notwithstanding?

Mr. DIRKSEN. Mr. President, if I may have the attention of the majority leader, I wish to state that I shall yield 5 minutes to the distinguished Senator from Utah [Mr. BENNETT], and I believe 3 minutes is desired by the Senator from

New York. Then I shall conclude the discussion on this side, and we shall be prepared to vote.

Mr. JOHNSON of Texas. Mr. President, if it is agreeable, we shall try to work our discussion in under a 30-minute period. If the other side can do likewise, we notify Senators that we shall try to have a vote at approximately 4:30, if that is satisfactory to the minority leader.

Mr. DIRKSEN. I did not hear the Senator.

Mr. JOHNSON of Texas. I said that we shall confine ourselves to 30 minutes on condition that the minority do likewise, and then we shall notify Senators that we shall be prepared to vote at 4:30.

Mr. DIRKSEN. Mr. President, I will make every effort to conform.

I yield 5 minutes to the distinguished Senator from Utah.

Mr. BENNETT. Mr. President, I shall not use 5 minutes.

I rise to speak in support of the forthright action taken by the President in vetoing H.R. 9883, the Federal employees salary increase bill. In my opinion the veto message is sound and presents overwhelming data showing why this pay legislation should not be enacted in its present form.

During the years I have served in Congress I have championed and supported legislation providing adequate salaries for our Nation's postal workers and civil service employees. In addition, I have supported bills providing life and health insurance for the Federal workers and sponsored other measures improving working conditions and granting many fringe benefits to these employees. Consequently, I am not unmindful of the needs of Federal workers, nor of the substantial contribution which they make to the welfare and security of our Nation. However, I cannot in good conscience support H.R. 9883.

It seems strange to me that Congress would appropriate \$500,000 for a special study to ascertain the comparability of Federal salaries with those paid in private business, together with a study of the grade-by-grade differentials, and then proceed to act on this sweeping pay legislation before the study is completed. This survey is scheduled to be in final form by September, and wisdom would dictate that we wait until next year to pass a pay bill, based on the findings of this special study.

If we will take a careful look at the facts, it is impossible to justify a 7.5- to 8.5-percent pay increase at this time. In 1958, Federal employees received a 10-percent pay increase which more than made up for the differential in the Consumer Price Index dating back to the previous increase in 1955. Since 1958, the Consumer Price Index has increased 2.1 percent, based on the latest available data. Thus any argument that a 7.5-percent pay increase is necessary to keep up with the cost of living is completely unfounded. The maximum justifiable increase on this basis is 2.1 percent.

Going back to 1953, the beginning of the Eisenhower administration, the Consumer Price Index has increased less

than 11 percent, while Federal classified salaries have increased 18.5 percent, and postal salaries an average of 23.4 percent. These computations are based on a selection of a GS-5 entrance rate for the classified workers and a city carrier for the postal workers. Thus under this administration, Government salaries have increased at twice the rate of the Consumer Price Index.

Finally, I wish to call the attention of the Senate to another important effect of a Federal pay increase. This has to do with the relationship between Federal salaries and State government salaries, which I pointed out in my statement to the Senate when the bill passed on June 17. The President has made an excellent analysis comparing Federal pay scales with private industry, but there is also the important factor of relating Federal pay to State and local government pay, since there is competition for workers at these various levels of the Government.

Using the present pay scales, before the proposed increase, employees of the State of Utah who correspond to Federal GS-2 and GS-3 clerks, are now earning from \$50 to \$60 a month less than their Federal counterparts. If the pending bill goes into effect, it will increase that difference by another \$20 to \$24 a month.

Utah social caseworkers, who are a semiprofessional group, are earning between \$60 and \$100 a month less than the pay received by Federal Government employees who perform similar work. And numerous other examples of the same nature could be cited.

I wonder whether we stop to realize the damage we are going to do to the State governments and their employees, particularly in the case of the smaller States far removed from the large metropolitan centers, when we widen this variation. Not only shall we increase the burden on the taxpayers, by reason of the added cost of the Federal payroll; but, in addition, we shall put the taxpayers of many States in a situation in which, by using the Federal Government's example as a lever, attempts will be made to force up the State, county, and municipal payrolls.

So the real burden on the taxpayer may be very much heavier than that represented by the proposed legislation now before us. This is one additional reason why I am persuaded to uphold the President's veto of the Federal pay bill.

It is my hope that Congress will take action before adjournment to make permanent the 2.5 percent temporary pay increase granted to postal workers in 1958. In addition, I favor a modest and fair salary increase for Federal workers as suggested by the President in his veto message.

After the completion of the Federal pay study and report which is due this fall, Congress should be able to work out any inequities in the Federal pay schedules and come up with a permanent solution to this vexing problem.

Mr. DIRKSEN. I yield 5 minutes to the distinguished Senator from New York.

Mr. JAVITS. Mr. President, I suppose there is probably a larger concentration of postal employees, who are so heavily affected by this bill, not only in my State, but in my home community of New York City than there is in any other State or city. It is estimated that the New York post office, which does not cover the whole city but covers the busiest commercial part of it, has about 35,000 employees. For many years I have had my Senate office in post office buildings of New York. I now have it in one of the major stations of the New York post office. For many years I have known personally a host of the employees and have become very familiar with their problems. Others will unquestionably analyze the detailed figures on this bill, and, indeed, the President of the United States has analyzed the detailed figures in his veto message.

But I wish to identify myself with the views I just heard expressed by the Senator from Indiana [Mr. CAPEHART], which I think hit the nail on the head. I have been impressed through the years with literally hundreds upon hundreds of postal employees, whom I know personally, and the trouble they have had making a living. Whatever the figures may show by way of comparisons, it is a fact that an unbelievable number, an altogether uncalled for number of postal employees either have two jobs or have wives working in order to make ends meet. The individual but detailed stories of these servants of the United States, indicating the hardships which they are undergoing in order to manage and keep their jobs and live at the same time, negate all of the abstract and theoretical arguments which were made upon the subject. But even beyond that, I think there are two final facts which will make me vote to override the veto. They are these:

First, that when the increases which these employees have received since 1952 are compared with the increases afforded employees in normal private employment, they fall under par, with an average of around 17½ percent, as contrasted with 25 percent or more on the part of industry generally.

Second, and very importantly, even when the arguments which are made against this bill which the President has vetoed are examined, it will be seen that in percentages it gets so close to what the bill provides that, knowing as I do the individual hardships involved—and I have lived with it for years—it does not make any sense to turn this bill down and start all over again.

Everyone agrees that the two and a half percent cost of living increase should be continued, and there seems to be general agreement, even from the strongest opponents, that there ought to be something added to that—let us say another two and a half percent. Many, including the Senator from Kansas [Mr. CARLSON], have talked about the fact that the increase should be three and a half percent. The Senator from Kansas himself proposed that there be a 6-percent increase. When the final one and a half percent or two and a half percent difference—considering the 7½ percent in this bill—is precipitated down to the individ-